

METHOD FOR EVALUATING A FORWARD-BUY OPPORTUNITY

ABSTRACT OF THE DISCLOSURE

A method for evaluating a forward-buy opportunity relating to a product set is provided. At the outset, an incremental forward buy quantity for each product in the product set is initialized to a user defined quantity. Financial and product parameters relating to the products in the product set are input, and a return on investment (ROI) for each product is calculated. In response to the calculated ROI being equal to or greater than a defined value, the product having the highest ROI is identified and the recommended buy quantity is recorded. The recommended buy quantity for the identified product is incremented and the ROI for each product is recalculated. The iterative ROI calculation method continues until the ROI for each product is no longer equal to or greater than the defined value.